

DOCUMENT ADMINISTRATION

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Introduction

1. Audit and Investigations (“A&I”) is an independent function designed to assist the management and stakeholders of Gavi, the Vaccine Alliance (“Gavi”), in accomplishing its objectives. A&I is headed by the Managing Director Audit and Investigations (“MDAI”) and comprises the following functions:
 - a. Internal Audit, which is an independent and objective assurance and consulting activity designed to add value and improve the internal operations of Gavi by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organisation’s risk management, control, and governance processes.
 - b. Programme Audit, which conducts audits of programmes in-country to assess whether Gavi support, including cash, vaccines and related supplies, have been used as intended to provide value-for-money, considering both financial and programmatic aspects.
 - c. Investigations and Counter-Fraud, which conducts an evidence-based examination of possible misuse and other misconduct within Gavi, in Gavi-supported programmes in-country, or which otherwise impact upon the organisation. It conducts preventive activities to minimise the risk of such conduct occurring and/or impacting the organisation.
 - d. Whistleblower (confidential) Reporting, which receives reports from internal and external sources, on potential misuse or other misconduct. This function comprises the receipt of such reports and determination of how they should be progressed.

Role

2. The A&I activity is established by the Board. A&I’s activities are defined by the Board as part of their oversight role, as set out in these Terms of Reference, which are reviewed and approved by the Board.

Professionalism

3. A&I staff shall govern themselves by adherence to the standards of their respective professional bodies, where applicable:
 - a. Audit staff must adhere to the Institute of Internal Auditors’ (“the Institute”) Code of Ethics, which is mandatory guidance, and to A&I’s own ethical standards as set out in the function’s audit manual. The Institute’s International Standards for the Professional Practice of Internal Auditing (“the Standards”), which is mandatory guidance, shall constitute the operating procedures for the department. The Institute’s Practice Advisories will be adhered to as applicable.
 - b. Investigation staff will adhere to the Uniform Guidelines for Investigations, as issued by the Conference of International Investigators in 2009.
4. In addition, A&I staff will adhere to Gavi’s policies and procedures.
5. A&I is expected to co-ordinate and interact as appropriate with Gavi’s external auditors, sharing insights and relevant information and material as the MDAI

considers appropriate, so as to ensure the efficient and effective conduct of audit by both A&I and the external auditors to the benefit of Gavi. It is expected that such activities will not compromise the independence of either A&I or the external auditors but judgement should be applied as appropriate in ensuring the independence of both parties is appropriately maintained by such liaison.

Authority and Confidentiality

6. A&I shall have full, free and unrestricted access to any and all of Gavi's records, physical properties, and staff relevant to any area under review. All employees are required to assist A&I in fulfilling its function.
7. In accordance with the Partnership Framework Agreements signed with Gavi-eligible countries, A&I has access to country-related information and data relevant to Gavi's oversight.
8. In accordance with relevant agreements and Memorandums of Understanding with partners, A&I may also have access to partner-related information and data relevant to GAVI's oversight.
9. In all cases, documents and information obtained by A&I will be handled in the same prudent and confidential manner as expected of those individuals normally responsible for them.

Independence and Objectivity

10. The MDAI reports to the Board, which is effected through routine reporting to the Audit and Finance Committee, and the Chief Executive Officer (CEO). The Board appoints and terminates the MDAI upon recommendation of the Board's Audit and Finance Committee.
11. The MDAI will report to the Board at least annually, or more frequently, ad hoc if considered necessary by the Board or the MDAI.
12. The MDAI will confirm at least annually to the Board the organisational independence of A&I.
13. The Audit and Finance Committee also assesses A&I's organisational structure, mandate and operating budget to ensure that these are appropriate and sufficient to meet agreed activities. The MDAI has free and unrestricted access to the Chair and Vice-Chair of the Board and to the Chair of the Audit and Finance Committee.
14. All A&I activities shall remain free of influence by any element in Gavi, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of an independent and objective mental attitude necessary in fulfilling its roles and responsibilities.
15. A&I shall have no direct operational responsibility or authority over any of the activities it reviews. Accordingly, it shall not develop nor install systems or procedures, prepare records, or engage in any other activity which would normally be considered management or staff's responsibility.

Scope of Activities

16. In general, the scope of A&I's work extends not only to the Secretariat but also to the programmes and activities carried out by Gavi's grant recipients and partners. More specifically, its scope encompasses the examination and evaluation of the adequacy and effectiveness of Gavi's governance, risk management processes, system of internal control, and the quality of performance in carrying out assigned responsibilities to achieve stated goals and objectives. It includes:
- a. Monitoring and evaluating the effectiveness of Gavi's risk management system.
 - b. Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
 - c. Reviewing the adequacy of the systems established to ensure compliance with policies, plans, procedures, laws, and regulations and establishing whether Gavi is in fact in compliance.
 - d. Reviewing the adequacy, implementation and operation of Gavi's Transparency and Accountability Policy and of other anti-corruption, fraud and related misuse policies and procedures.
 - e. Auditing internal control processes at the Secretariat and country level including income, non-grant expenditure, internal projects, information and communication, grant application and grant awards, funds disbursement, and risk assessment processes.
 - f. Reviewing the means of safeguarding assets and, as appropriate, verifying their existence.
 - g. Reviewing and appraising the economy and efficiency with which resources are employed.
 - h. Reviewing operations or programmes to ascertain whether results are consistent with established objectives and goals and whether the operations or programmes are being carried out as planned.
 - i. Conducting specific reviews or tasks requested by the Board, the Audit and Finance Committee or the CEO, provided such reviews and tasks do not compromise A&I's independence or objectivity.
 - j. MDAI acting as the Compliance Officer for Gavi's Whistleblower Policy.
 - k. Investigating allegations (including items reported under the Whistleblower Policy) and suspicions of misconduct or misuse (including but not limited to fraud, theft and corruption) affecting Gavi and/or its programmes.
 - l. Advising on the implementation of procedures to reduce the risk of fraud, theft, corruption and other misuse and/or misconduct from affecting the organisation.
 - m. Providing consulting services to management and the Board, as requested. The provision of consulting services should be in those areas in which A&I is competent, principally relating to improvements in the effectiveness of the organisation's risk management, control, and governance processes.

Audit Planning

17. The audit plan, encompassing both Internal and Programme Audit, is developed based on a prioritisation using a risk-based methodology. The plan will also incorporate consulting assignments, as appropriate, as requested by and agreed with the CEO or his delegates as appropriate, and the Audit and Finance Committee or Board.
18. The Audit and Finance Committee will review and approve, as appropriate, the audit plan, and review and recommend to the Board, as appropriate, A&I's budget to execute the plan (as a component of the overall Secretariat budget).
19. The MDAI shall regularly submit to the CEO and Audit and Finance Committee an up-to-date status of the plan for audit activities through periodic activity reports, including any significant deviation from the approved plans. The MDAI will also communicate the impact of resource limitations and any significant interim changes.

Reporting

20. A written report will be prepared and issued following the conclusion of each audit or review and will be distributed as appropriate under Gavi policies.
21. The audit report ordinarily will contain the auditee's response and corrective action (to be) taken in regard to the specific findings and recommendations, including a timetable for anticipated completion and a justification for any recommendations not addressed.
22. A&I will be responsible for appropriate follow-up on audit findings and recommendations i.e. A&I monitoring that there has been appropriate remediation of the issue by the responsible party. All significant findings will remain in an open issues file until remediated or otherwise cleared.

Periodic Assessment

23. A&I shall develop and maintain a quality assurance and improvement programme that covers all aspects of its activities.
24. The MDAI periodically assesses whether the purpose, authority, and responsibility, as defined in these Terms of Reference, continue to be adequate to enable A&I to accomplish its objectives.
25. In addition, in conformity with the Standards, an external assessment will be conducted at least every five years by a qualified independent reviewer from outside the organisation. The results of these internal and external assessments are communicated to the CEO and with the Audit and Finance Committee.